

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF THE
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY
TO KEYSpan ENERGY DELIVERY, D.T.E. 05-68**

Pursuant to 220 C.M.R. § 1.06(6)(c), the Department of Telecommunications and Energy (“Department”) submits to KeySpan Energy Delivery (“KeySpan”) the following Information Requests.

Instructions

The following instructions apply to this set of Information Requests and all subsequent Information Requests issued by the Department in this proceeding.

1. Each request should be answered in writing on a separate, three-hole punch page with a recitation of the request, a reference to the request number, the docket number of the case, and the name of the person responsible for the answer.
2. Do not wait for all answers to be completed before supplying answers. Provide the answers as they are completed.
3. These requests shall be deemed continuing so as to require further supplemental responses if KeySpan or its witnesses receives or generates additional information within the scope of these requests between the time of the original response and the close of the record in this proceeding.
4. The term “provide complete and detailed documentation” means:

Provide all data, assumptions and calculations relied upon. Provide the source of and basis for all data and assumptions employed. Include all studies, reports and planning documents from which data, estimates or assumptions were drawn and support for how the data or assumptions were used in developing the projections or estimates. Provide and explain all supporting workpapers.
5. The term “document” is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phono-records, microfilm, microfiche, computer printouts, correspondence, handwritten notes, records or reports, bills, checks, articles from journals or other sources and other data compilations from which information can be obtained and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If any one of these requests is ambiguous, notify the Hearing Officer so that the request may be clarified prior to the preparation of a written response.
7. Please file one copy of the responses with Mary L. Cottrell, Secretary of the Department; also submit two (2) copies of the responses to Andrea Saia, Hearing Officer, one (1) copy of the responses to Andréas Thanos, Assistant Director, Gas Division, one (1) copy of the responses to Cynthia Bradbury, Analyst, Gas Division, one (1) copy of the responses to Kenneth Dell Orto, Analyst, Gas Division, and one (1) copy of the responses to Carmen Liron-Espana, Analyst, Gas Division.
8. Responses are due on or before Wednesday, February 1, 2006.

Requests

- DTE 1-1 In reference to page 52 of the filing, please explain how the Company's probability of occurrence of once in 43.62 years used in establishing the Company's current design day standard compares with the probability of occurrence used by other local distribution companies in Massachusetts and New England in their forecast and supply plans.
- DTE 1-2 Please refer to pages 53-55 of the filing. Define the terms "re-light costs," "freeze-up damages," and "economic damages." Please explain how the Company quantified costs associated with each component of the "re-light costs," "freeze-up damages," and "economic damages."
- DTE 1-3 Please refer to pages 53-55 of the filing. Where the Company used imputed costs:
- (a) please explain the imputation method used,
 - (b) explain whether the definition of costs as used here is limited to private costs or includes societal costs, and
 - (c) explain whether the Company has purchased insurance to avoid liability for such costs. If not, please explain.
- DTE 1-4 Please refer to page 57-58 of the Company's filing. Explain why the Company uses the Gross State Product per day to determine the cost of curtailment of gas service to the Company's customers.
- DTE 1-5 Please explain why the Company did not include a cold-snap planning standard and a cold-snap requirement as part of its forecast and supply plan.

- DTE 1-6 In reference to page 59 of the filing, the Company states that 40 percent of sendout comprises commercial and industrial customers. Please indicate what percentage of the commercial and industrial customers have dual fuel capabilities.
- DTE 1-7 Please explain whether or not the Company uses or tests models other than the SENDOUT® model. If so, how does the SENDOUT® model compare to the other models? If no, please discuss whether the Company seeks other alternatives to the SENDOUT® model.
- DTE 1-8 Please discuss how the Company's SENDOUT® model accounts and adjusts for the purchase of spot gas.
- DTE 1-9 Please provide a narrative description explaining the way KeySpan makes its daily and monthly gas purchase decisions.
- DTE 1-10 Please explain, in full, KeySpan's contingency plan(s) in the event its contracted gas supply resources become unavailable due to equipment failure, decrease in pipeline pressure, force majeure, etc.
- DTE 1-11 Please identify the circumstances/scenarios KeySpan considered in designing its contingency plan.
- DTE 1-12 Please identify and comment on all major factors which could develop during the forecast period that could materially affect natural gas availability, reliability, or costs to the end-users.
- DTE 1-13 Please provide the gas adjustment factor for each KeySpan Energy New England affiliate for the past three calendar years. In the event that there is a discrepancy of more than ten percent among affiliates, explain the discrepancy.
- DTE 1-14 Refer to Section V of the Company's filing. Provide an electronic copy of the Resource Listing spreadsheet contained in this section. Please submit the electronic version in Microsoft Excel format.
- DTE 1-15 Refer to page 72 of the Company's filing.
- (a) What percentage of KeySpan's overall daily city-gate delivered supply does the 704,445 MMBtus/day associated with the Asset Management Contract with Merrill Lynch Commodities account for?

- (b) Does KeySpan intend to have another asset management contract in place after the March 31, 2006 expiration of the Merrill Lynch agreement? If so, please comment on the status of KeySpan's efforts to secure a new asset manager.

DTE 1-16 What is KeySpan's total yearly design-day deliverability (inclusive of all upstream and on-system peaking resources) over the term of the forecast period?

DTE 1-17 Refer to Petition of KeySpan Energy Delivery New England, pursuant to G.L. c. 164, § 69I, for approval by the Department of Telecommunications and Energy of its Long-Range Forecast and Requirements Plan for the forecast period 2001/02 through 2005/06, D.T.E. 01-105, at 54 (2002). Has the Company provided an exhibit in its current filing that indicates the areas on the KeySpan system that will require the addition of design-day delivery capability during the forecast period? If not, please provide the Department with such an exhibit. If it has, provide the citation.